GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:33
ANSWERED ON:18.07.2016
Review of Pan-India E-auction for Tea
Kothapalli Smt. Geetha

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has reviewed rolling out of pan-India e-auction for tea with a view to streamline the process and ensure faster realisation and if so, the details thereof;

(b) whether faster realisation of auction proceeds is likely to address the demand of the producers and if so, the details thereof;

(c) whether such a decision is likely to lead to greater transparency in terms of buyers" bidding and settlement of payment; and

(d) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) to (d): Pan India Auction has been rolled out successfully by Tea Board on 23.6.2016 in all the registered auction centers across India with a view to streamline the process. The suggestions received from the industry stakeholders during the mock session have been taken into consideration. The faster realization of auction proceeds is expected to address the demand of the producers. Introduction of settlement banking system and routing of entire post auction payments through the auction system via the settlement bank is one of the important features added in the Pan India Auction process. This system will ensure transparency in the process and timely settlement of dues since banks act as a settlement agent between all the stakeholders' i.e. buyers, brokers, sellers and warehouses. During the post settlement process, the sellers/producers receive the payment within the scheduled period and there is no extension for buyers' prompt date.
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